

Message Text

CONFIDENTIAL

PAGE 01 BRUSSE 07216 01 OF 02 140022Z
ACTION EUR-12

INFO OCT-01 EA-10 IO-13 ISO-00 AID-05 CEA-01 CIAE-00
COME-00 EB-08 FRB-03 INR-10 NSAE-00 SP-02 STR-07
TRSE-00 LAB-04 SIL-01 OMB-01 AGRE-00 L-03 H-01
ITC-01 DOE-15 SOE-02 OES-07 /107 W
-----001471 140039Z /63

R 131931Z APR 78
FM AMEMBASSY BRUSSELS
TO SECSTATE WASHDC 5999
INFO AMEMBASSY CANBERRA
USMISSION GENEVA
ALL EC CAPITALS

C O N F I D E N T I A L SECTION 01 OF 02 BRUSSELS 07216

USEEC

GENEVA FOR USMTN

E.O. 11652: GDS
TAGS: EEC, TECH, EAGR, AS
SUBJECT: EC-AUSTRALIA

REF: BRUSSELS 4099

1. AUSTRALIAN STR GARLAND, A FEW MEMBERS OF HIS PARTY,
AND AUSTRALIAN AMBASSADOR TO THE EC, SIR JAMES PLIMSOLL,
CALLED ON AMBASSADOR APRIL 12 AT THEIR REQUEST. GARLAND
STATED THAT HE WAS CONCERNED THAT THERE HAD BEEN LITTLE
PROGRESS ON AGRICULTURE IN THE MTN, PARTICULARLY IN AREAS
OF INTEREST TO AUSTRALIA LIKE DAIRY AND MEAT. AMBASSADOR
AGREED THAT THIS WAS SO, PARTICULARLY IN TERMS OF SPECIFIC
ACCESS COMMITMENTS. BUT THOUGHT THERE WAS SOME POSSIBIL-
ITY, AS A RESULT OF RECENT TALKS WITH THE EC, OF ACHIEV-
ING SPECIFIC GOALS THROUGH INDIRECT AND MORE GENERAL
MEANS.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BRUSSE 07216 01 OF 02 140022Z

2. MEMBER OF GARLAND PARTY (TEESE) ACCEPTED THIS
POSSIBILITY BUT SAID IT IS HARD TO SEE HOW GENERAL
APPROACH COULD LEAD O SPECIFIC SETTLEMENTS AS A PART OF
A HARD BARGAIN IN THE MTN. IT WOULD BE HARD TO SELL
AT HOME THE NEED TO PAY SOMETHING IN EXCHANGE FOR THIS
KIND OF CONCESSION. HE RECOGNIZED THAT THE EC MAY BE

OFFERING SOME SCOPE FOR SCALING DOWN EXPORT RESTITUTIONS BUT WONDERED HOW FAR AND HOW CONCRETELY. MOREOVER, ACCESS TO THE EC MARKET RATHER THAN EXPORT SUBSIDIES ARE THE MAIN AUSTRALIAN PROBLEM WITH THE EC. AUSTRALIANS COMPLAINED THAT THEY HAVE BEEN UNABLE TO SEE GUNDELACH SINCE LAST MEETING (REFTEL). AMBASSADOR STRESSED THAT HE WAS ONLY REAL DECISION-MAKER IN COMMISSION ON AGRICULTURE.

2. ON US-AUSTRALIAN DISCUSSIONS IN MTN, GARLAND NOTED THAT AUSTRALIA HAS EXPRESSED WILLINGNESS TO DISCUSS TOBACCO WHICH, HE SAID, IS ALREADY A CONCESSION ON ITS PART IT IS. HOWEVER, A MAJOR POLITICAL ISSUE FOR AUSTRALIA. HE ADDED THERE IS NO USE, EITHER SUBSTANTIVELY OR PRESENTATIONALLY, IN LINKING TOBACCO TO US OFFER ON WOOL. HE DESCRIBED WOOL AS OF DECLINING INTEREST TO AUSTRALIA. HE ADDED THAT UNILATERAL REDUCTIONS OF TARIFFS BY AUSTRALIA OVER LAST FEW YEARS SHOULD BE SEEN BY US AND OTHERS AS MAJOR AUSTRALIAN CONTRIBUTION.

3. AMBASSADOR ADDED THAT EC MAY FIND IT EASIER TO MAKE CONCESSIONS ON EXPORT SUBSIDIES RATHER THAN ACCESS BECAUSE THE LATTER IMPLIES A FUNDAMENTAL CHANGE IN THE COMMON AGRICULTURE POLICY. ALTHOUGH INTELLECTUALLY, A CONCESSION ON SUBSIDIES WOULD HAVE REPERCUSSIONS ON THE ACCESS QUESTION, FOR DOMESTIC REASONS IT MAY BE EASIER
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 BRUSSE 07216 01 OF 02 140022Z

FOR THE EC TO YIELD ON ONE RATHER THAN ON THE OTHER. WHILE EC CAN'T TOUCH THE CAP, IT CAN APPARENTLY DISCUSS ITS IMPACT ON THE WORLD.

4. AMBASSADOR ALSO POINTED TO RISING INDICATIONS THAT EC IS SERIOUS ABOUT GETTING SOME CONTROL OVER CAP BUDGET COSTS. HE SAID THAT PROPOSALS TO LIMIT GUARANTEED SUPPORT PRICES ON MEAT AND SUGAR, FOR INSTANCE. COULD EVENTUALLY REDUCE SURPLUSES IN THOSE AREAS. PLIMSOLL AGREED. ADDING THAT GUNDELACH HAD INFORMED HIM THAT AS A RESULT OF THESE POLICY INTENTIONS. THERE WERE ALREADY INDICATIONS THAT THE LEVEL OF INVESTMENT IN EUROPEAN AGRICULTURE WAS FALLING OFF. AMBASSADOR SAID IT STILL DIFFICULT TO BE OPTIMISTIC OVER POSSIBILITY OF REAL EC CONCESSIONS ON AGRICULTURE BUT THAT COMMISSION HAD TOLD US THAT A "WINDOW" FOR REAL NEGOTIATION WOULD OPEN AFTER SETTLEMENT OF INTERNAL EC PRICE PACKAGE (I.E. APPROXIMATELY MID-MAY) AND BEFORE MID-JULY END OF MTN

5 IN RESPONSE TO AMBASSADOR.S QUESTION, GARLAND THOUGHT THAT WHAT EC WANTS FROM AUSTRALIA INCLUDES: RETENTION OF ITS PRESENT MARKET FOR MANUFACTURED GOODS WHICH HE VALUED

AT 2.5 BILLION DOLLARS PER YEAR; URANIUM SUPPLIES SUIT-
ABLY NEGOTIATED; MARKET FOR DEFENSE EQUIPMENT; AND ACCESS
TO THE POTENTIALLY LARGE FISHING ZONES WHICH AUSTRALIA
WILL BE ABLE TO DECLARE AROUND ITS SHORES.

6. ON URANIUM. GARLAND STATED THAT THE POLITICAL ISSUE
OF SUPPLY IS NOW LARGELY SETTLED DOMESTICALLY IN
AUSTRALIA AS A RESULT OF THE LAST ELECTION. HE SAID
THAT AUSTRALIAN SAFEGUARDS ARE IN LINE WITH US REQUIRE-
MENTS. THE AUSTRALIANS HAVE ALREADY HAD INQUIRIES FROM
SEVERAL EC MEMBER STATES, INCLUDING THE UK, FRANCE,
ITALY AND THE FRG. NEGOTIATIONS WITH THE BRITISH HE

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 BRUSSE 07216 02 OF 02 140022Z
ACTION EUR-12

INFO OCT-01 EA-10 IO-13 ISO-00 AID-05 CEA-01 CIAE-00
COME-00 EB-08 FRB-03 INR-10 NSAE-00 SP-02 STR-07
TRSE-00 LAB-04 SIL-01 OMB-01 AGRE-00 L-03 H-01
ITC-01 DOE-15 SOE-02 OES-07 /107 W
-----001470 140038Z /63

R 131931Z APR 78
FM AMEMBASSY BRUSSELS
TO SECSTATE WASHDC 6000
INFO AMEMBASSY CANBERRA
USMISSION GENEVA
ALL EC CAPITALS

C O N F I D E N T I A L SECTION 02 OF 02 BRUSSELS 07216

DESCRIBED AS FAR ADVANCED. HE THOUGHT THAT URANIUM
AGREEMENTS WOULD CONTINUE TO BE NEGOTIATED BILATERALLY
WITH THE EC MEMBER STATES AS THE EC ITSELF HAS NO
MANDATE AND HE HAS BEEN TOLD BY SOME MEMBER STATES THAT
IT WON.T GET ONE EITHER.

7. AUSTRALIANS NOTED THAT. AT COMMISSION REQUEST. DATE
FOR AUSTRALIA-EC BILATERAL CONSULTATIONS HAS SLIPPED TO
JUNE 8-9.

8. GARLAND STATED HE WAS LEAVING FOR LONDON TO ATTEND A
COMMONWEALTH CONFERENCE ON THE COMMON FUND. HINTON

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: GRAINS
Control Number: n/a
Copy: SINGLE
Draft Date: 13 apr 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978BRUSSE07216
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780159-1100
Format: TEL
From: BRUSSELS USEEC
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780462/aaaacaop.tel
Line Count: 166
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 44fc39b1-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 78 BRUSSELS 4099
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 18 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2985282
Secure: OPEN
Status: NATIVE
Subject: EC-AUSTRALIA
TAGS: TECH, EAGR, AS, EEC, (PLIMSOLL, JAMES)
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/44fc39b1-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014